

### Castle Creek Agreement

This Agreement is made and entered into this 20<sup>th</sup> day of MARCH, 2017 by and between Castle Valley Irrigation Company (CVIC) and Castle Valley Incorporated (Daystar).

Whereas CVIC is the current owner of water right 05-571 for 1.9424 cfs, and

Whereas Daystar is the current owner of water right 05-2812 for 2.0 cfs, and

Whereas 05-571 and 05-2812 are equal in priority on the Utah State Engineer's records showing the year 1885, and

Whereas during the dry periods of the irrigation season both parties experience difficulty in obtaining sufficient water for their operations,

It is hereby mutually agreed that Daystar may take the first available 2.3 cfs as measured in the spillway above Daystar's "Quakie Pond" (located in Section 15, T25S, R23E), provided Daystar will turn excess water greater than 2.3 cfs down to CVIC by use of an adjustable gate or valve adjacent to a measuring flume in the spillway above the "Quakie Pond."

Adjustments of the diversions shall be done cooperatively and simultaneously by a member of each company (a list of company officers or acceptable representatives will be prepared as part of this Agreement), or by a duly appointed Water Commissioner agreed to by both CVIC and Daystar.

Daystar will continue to release any flow in excess of 2.3 cfs until CVIC's measuring device (located in the NWNE Corner of Section 8, T25S, R23E) reaches 1.94 cfs. Upon CVIC's flume reaching 1.94 CFS, Daystar may begin use of Daystar's junior water rights 05-2813 and 05-60, provided that CVIC's flow remains at 1.94 cfs.

If Daystar is not taking water greater than 2.3 cfs, Daystar has no obligation to deliver water to CVIC. In other words, if the total flow in Castle Creek is less than 2.3 cfs at Daystar's point of diversion, Daystar may take all of the flow.

This Agreement in no way grants rights of trespass to CVIC for access to any property, pipeline, or water structure owned by Daystar. Improvements to the delivery system may be proposed by CVIC provided CVIC bears the costs of such improvements and receives written permission from Daystar to construct such improvements.

Either party may void this Agreement provided written notice is given to the other party 60 days before actual termination of the Agreement.

This Agreement will expire on December 31<sup>st</sup> of the current year unless extended by both parties.



Castle Valley Irrigation Company (CVIC)



Castle Valley Incorporated (Daystar)

Date 3 / 20 / 17

Date 3 / 20 / 17